



JOHN NAIMO
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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June 4, 2015

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe

FROM: John Naimo
Auditor-Controller

SUBJECT: **INSIGHT HEALTH CORP. – A DEPARTMENT OF HEALTH SERVICES
MAGNETIC RESONANCE IMAGING SERVICES CONTRACT SERVICE
PROVIDER – CONTRACT COMPLIANCE REVIEW**

We completed a review of Insight Health Corp. (Insight or Contractor), a Department of Health Services (DHS) Magnetic Resonance Imaging (MRI) services contract service provider. The purpose of our review was to evaluate Insight's compliance with their County contract. Our review included a review of invoices, personnel files, and other applicable documents, and interviewing DHS and Insight employees.

Insight provides MRI services for Olive View-UCLA Medical Center, Harbor-UCLA Medical Center, and three other health facilities located in the First, Second, Fourth, and Fifth Supervisorial Districts. DHS paid Insight a total of \$12.2 million on a fee-for-service basis during Fiscal Year 2013-14.

Results of Review

Insight provided the MRI services in accordance with their County contract. In addition, Insight maintained a Quality Control Plan as required, and complied with their contract administrative requirements. However, Insight did not always comply with all of their County contract requirements. For example, Insight did not:

- Ensure that an employee who transports patients maintained an Emergency Medical Treatment (EMT) certification as required.

After our review, the employee obtained the required certification. Insight management indicated a concern with the requirement and their attached response indicates that they will work with DHS to develop a solution that will satisfy the EMT requirement.

- Ensure one (13%) of the eight employees received an annual tuberculosis screening.

After our review, the Contractor provided documentation that the employee was screened and Insight's response indicates that they will ensure employees receive an annual tuberculosis screening.

Details of our review, along with recommendations for corrective action, are attached.

Review of Report

We discussed our report with Insight and DHS on April 14, 2015. Insight's attached response (Attachment II) indicates general agreement with our findings and recommendations. DHS will work with the Contractor to ensure our recommendations are implemented.

We thank Insight management and staff for their cooperation and assistance during our review. If you have any questions please call me, or your staff may contact Don Chadwick at (213) 253-0301.

JN:AB:DC:AA:js

Attachments

- c: Sachi A. Hamai, Interim Chief Executive Officer
Mitchell H. Katz, M.D., Director, Department of Health Services
Robert Baumgartner, Chief Executive Officer, Insight Health Corp.
Public Information Office
Audit Committee

**INSIGHT HEALTH CORP.
MAGNETIC RESONANCE IMAGING SERVICES
CONTRACT COMPLIANCE REVIEW
FISCAL YEAR 2013-14**

BILLED SERVICES

Objective

Determine whether Insight Health Corp. (Insight or Contractor) provided the services billed to the Department of Health Services (DHS) in accordance with their County contract.

Verification

We reviewed Insight's invoices and other supporting documentation for services provided to 74 patients totaling \$97,545 (4%) of the \$2.3 million that DHS paid to Insight for Magnetic Resonance Imaging (MRI) services at four health facilities during March through May 2014.

Results

Insight appropriately billed DHS for the patient services provided.

Recommendation

None.

STAFFING QUALIFICATIONS

Objective

Determine whether Insight employees had the qualifications required by their County contract.

Verification

We reviewed the personnel files for eight (30%) of the 27 Insight employees who provided services to DHS patients.

Results

One (13%) of the eight employees, who transports patients to and from the MRI Center, did not have an Emergency Medical Treatment (EMT) certification. The County contract requires staff that transport patients to maintain an EMT certification. After our review, the employee obtained the required certification.

Recommendation

1. **Insight Health Corp. management ensure staff that transport patients have the Emergency Medical Treatment certification.**

ADMINISTRATIVE CONTROLS/QUALITY CONTROL

Objective

Determine whether Insight was in compliance with their County contract administrative requirements. In addition, determine whether Insight maintained a comprehensive Quality Control Plan (QCP), and used the QCP to ensure they provided the required services.

Verification

We interviewed Insight personnel, and reviewed their policies and procedures, QCP, and other applicable documents.

Results

Insight complied with the administrative requirements and maintained a comprehensive QCP.

Recommendation

None.

PERSONNEL

Objective

Determine whether Insight complied with personnel contract requirements, and maintained personnel files as required.

Verification

We reviewed personnel files and other documentation for eight (30%) of the 27 Insight employees.

Results

Insight maintained the required employment eligibility records for their employees. However, Insight did not:

- Ensure one (13%) of the eight employees received an annual tuberculosis screening. After our review, the Contractor provided documentation that the employee was screened.
- Did not obtain a background clearance for their temporary employee as required.

Recommendations**Insight Health Corp. management:**

2. Ensure employees receive an annual tuberculosis screening.
3. Obtain background clearances for all employees.



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May 19, 2015

John Naimo
Auditor-Controller
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 525
Los Angeles, CA 90012

Dear Mr. Naimo:

Re: INSIGHT HEALTH CORP.- A DEPARTMENT OF HEALTH SERVICES MAGNETIC RESONANCE
IMAGING SERVICES CONTRACT SERVICE PROVIDER-CONTRACT COMPLIANCE REVIEW.

We are in receipt of the County of Los Angeles auditor's report for imaging services. Please see
our responses listed below.

Auditor Recommendations for Staffing Qualifications, Attachment 1

1. Insight Health Corp. management ensure all staff who transport inpatients have the
Emergency Medical Technician certification.

Response

1. Insight to work with DHS contracts and grants department to come up with a mutually
acceptable solution for both parties.

Auditor Recommendations for Response to Personnel, Attachment 1

Insight Health Corp. management:

2. Ensure employees receive an annual tuberculosis screening.
3. Obtain background clearances for all employees



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Response

2. Insight will ensure that employees receive an annual tuberculosis screening.
3. Insight will ensure that all employees obtain a background clearance.

Thank you for the opportunity to provide quality imaging services to the patients of Los Angeles County. Please contact me if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Audrey D. Garner".

Audrey Garner
Senior Director of Operations and Business Development
adgarner@insighthealth.com